

**House File 2346 - Introduced**

HOUSE FILE 2346

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**A BILL FOR**

1 An Act relating to funding for projects on roads and bridges  
2 in critical need of repair or maintenance, and making an  
3 appropriation.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 8.55, subsection 2, paragraph a, Code  
2 Supplement 2011, is amended to read as follows:

3 a. The maximum balance of the fund is the amount equal to  
4 two and one-half percent of the adjusted revenue estimate for  
5 the fiscal year. If the amount of moneys in the Iowa economic  
6 emergency fund is equal to the maximum balance, moneys in  
7 excess of this amount shall be distributed as follows:

8 (1) The first sixty million dollars of the difference  
9 between the actual net revenue for the general fund of the  
10 state for the fiscal year and the adjusted revenue estimate for  
11 the fiscal year shall be transferred to the taxpayers trust  
12 fund.

13 (2) Moneys in excess of the amount transferred under  
14 subparagraph (1), up to a maximum amount of sixty million  
15 dollars, shall be transferred to the critical needs road fund  
16 created under section 312B.1.

17 ~~(2)~~ (3) The remainder of the excess, if any, shall be  
18 transferred to the general fund of the state.

19 Sec. 2. Section 8.58, Code Supplement 2011, is amended to  
20 read as follows:

21 **8.58 Exemption from automatic application.**

22 1. To the extent that moneys appropriated under section  
23 8.57 do not result in moneys being credited to the general fund  
24 under section 8.55, subsection 2, moneys appropriated under  
25 section 8.57 and moneys contained in the cash reserve fund,  
26 rebuild Iowa infrastructure fund, environment first fund, Iowa  
27 economic emergency fund, ~~and taxpayers trust fund,~~ and critical  
28 needs road fund shall not be considered in the application of  
29 any formula, index, or other statutory triggering mechanism  
30 which would affect appropriations, payments, or taxation rates,  
31 contrary provisions of the Code notwithstanding.

32 2. To the extent that moneys appropriated under section  
33 8.57 do not result in moneys being credited to the general fund  
34 under section 8.55, subsection 2, moneys appropriated under  
35 section 8.57 and moneys contained in the cash reserve fund,

1 rebuild Iowa infrastructure fund, environment first fund, Iowa  
2 economic emergency fund, ~~and taxpayers trust fund,~~ and critical  
3 needs road fund shall not be considered by an arbitrator or in  
4 negotiations under chapter 20.

5 Sec. 3. NEW SECTION. 312B.1 **Critical needs road fund.**

6 1. A critical needs road fund is created in the state  
7 treasury under the control of the department of transportation.  
8 The fund shall be separate from the general fund of the state  
9 and the balance in the fund shall not be considered part of  
10 the balance of the general fund of the state. The fund shall  
11 consist of moneys appropriated by the general assembly and any  
12 revenues credited by law to the critical needs road fund. The  
13 moneys in the fund are not subject to section 8.33 and shall  
14 not be transferred, used, obligated, appropriated, or otherwise  
15 encumbered except as provided in this section. Notwithstanding  
16 section 12C.7, subsection 2, interest or earnings on moneys  
17 deposited in the critical needs road fund shall be credited to  
18 the fund.

19 2. Moneys in the critical needs road fund are appropriated  
20 to the department of transportation to be used as directed  
21 by the department exclusively for the repair and maintenance  
22 of roads on the primary or secondary road system, or the  
23 municipal street system, including bridges. The department  
24 shall establish guidelines for identifying roads and bridges  
25 in critical need of repair or maintenance and for prioritizing  
26 projects to receive funding under this section. Moneys  
27 distributed from the critical needs road fund may be used  
28 in combination with other available funding as necessary to  
29 accomplish the completion of a qualifying project and to  
30 accomplish the goal of reducing the number of Iowa roads and  
31 bridges with critical needs.

32 EXPLANATION

33 This bill establishes a critical needs road fund in the state  
34 treasury under the control of the department of transportation.  
35 Moneys in the fund are appropriated to the department to be

1 used exclusively for repair and maintenance of state and  
2 local roads. The department is authorized to direct the  
3 use of the fund's resources according to guidelines to be  
4 established by the department for identifying roads and bridges  
5 in critical need of repair or maintenance and for prioritizing  
6 critical needs projects. Moneys from the fund may be used in  
7 combination with other available funding.

8 The bill provides that if the economic emergency fund  
9 reaches the maximum balance, after the required transfer of a  
10 portion of the excess to the taxpayers trust fund and before  
11 any remaining excess is transferred to the general fund of the  
12 state, any excess moneys in an amount up to \$60 million shall  
13 be transferred to the critical needs road fund.